

# The Benefits of Integrated Business Management Systems

## Introduction



At the last count there were over 10,000 organisations in the UK

& 2.5 million worldwide that have implemented either ISO 9001, ISO 14001 or ISO 45001. These organisations have all recognised the benefits of certification to the ISO Management System Standards.

Many organisations have chosen to implement more than one of these standards and the implementation of multiple standards continues to be an ascending trend.

And with the new versions of ISO 9001, ISO 14001 & ISO 45001 it is now much easier to integrate the requirements of these standards and create Integrated Management Systems.

With the continual drive for increased operational efficiencies and reduced operating costs, many organisations are exploiting the benefits of integrating their Management Systems

But the implementation of multiple standards, or implementing one standard on top of another, does have its challenges. The things that seem easy when implementing one standard can be more complex or problematic with multiple standards.

In order to manage this additional complexity, the necessity for a systematic approach to implementation is vital if the integration is to be successful.

## Why Integrate?

Having multiple management systems requires increased time and resources for their maintenance. This includes performing the many activities twice, such as:

- Planning
- Assessment of Risks & Opportunities
- Internal Audits
- Management Reviews
- Continual Improvement

In some cases, each of the standards will be implemented by a different person, so the systems may follow different logic or structures. Also, the documents and processes that are often established differently, which can bring additional complexity to an already complex system.

Having multiple management systems can easily become an organisational nightmare. Instead of contributing to the improved performance of organisation, they become a burden that everyone avoids, and the standards are only implemented as a formality, without any real benefit.

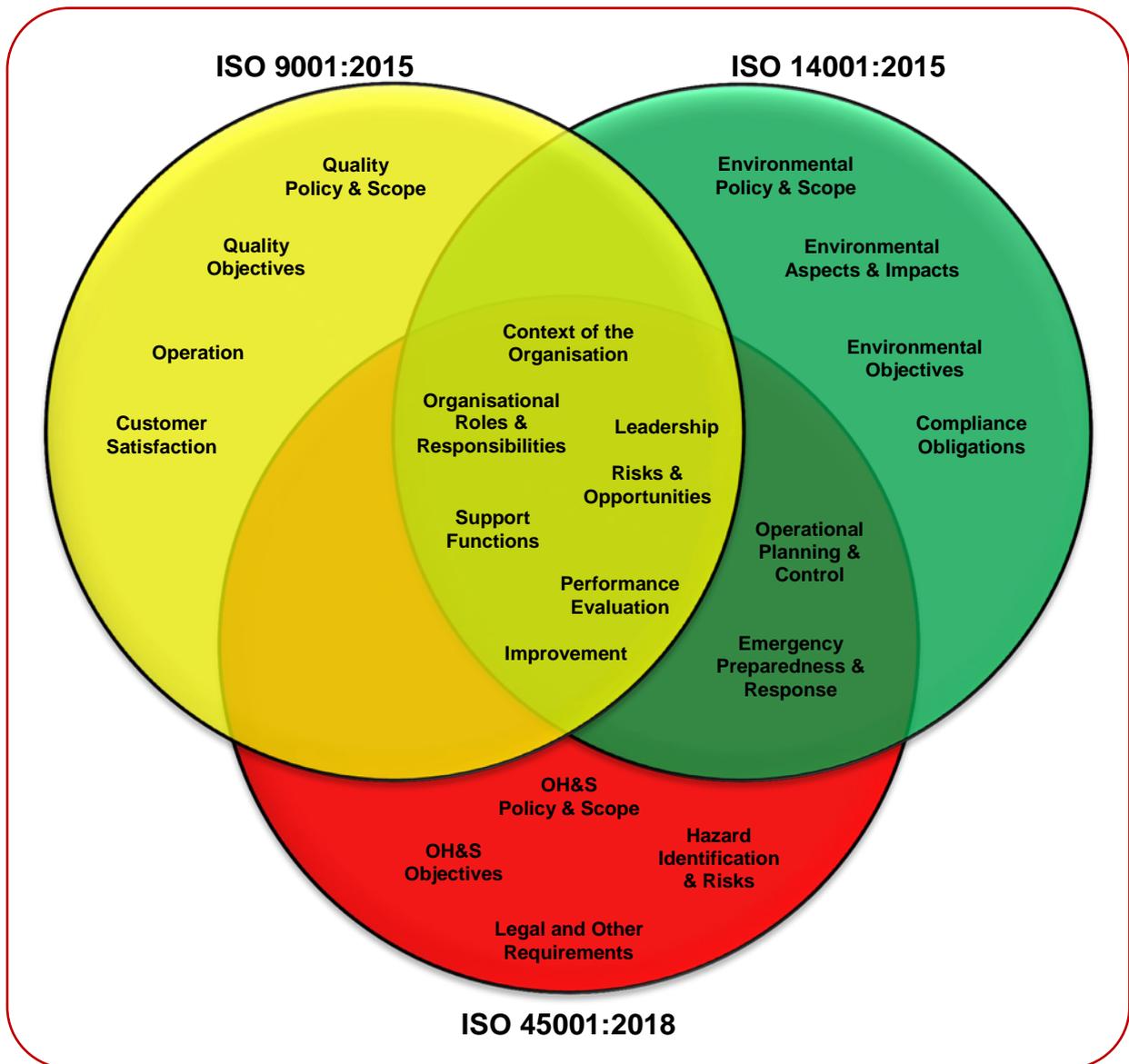
On the other hand, having one Integrated Management System (IMS) that meets the requirements of multiple standards simplifies the maintenance and coordination of many activities.

One short glance at the text of the standards shows great similarity of the requirements, especially now that all standards are aligned with the PDCA Cycle & Annex SL.

# The Benefits of Integrated Business Management Systems

## Common Ground

The diagram below highlights the common requirements of ISO 9001, 14001 & 45001. Many aspects of clauses 4, 5, 6, 7, 9, and 10 are the same and these requirements can be streamlined when these standards are implemented as an integrated system.



The next sections of this document will explain the similarities and differences of these clauses and how they can be integrated.

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## Common Clauses of ISO 9001, ISO 14001 & ISO 45001

With the new versions of the standards now following the Annex SL structure they are now more compatible than ever. The principal benefit is that the same requirements are under the same clause numbers in all standards. The table below provides an overview of the main clauses and their similarities:

Clause numbers			Comments
ISO 9001	ISO 14001	ISO 45001	
4 Context of the organisation	4 Context of the organisation	4 Context of the organisation	While the requirements of all three standards are basically the same, ISO 45001 also refers specifically to workers as interested parties.
5 Leadership	5 Leadership	5 Leadership	The requirements are the same; only the requirements for the policies are different. With ISO 45001 there is also a requirement to define participation & consultation.
6 Planning	6 Planning	6 Planning	All standards require actions to address risks and opportunities. ISO 14001 has additional requirements related to environmental aspects and compliance obligations ISO 45001 requires hazard identification and assessment of OH&S risks, and the definition of legal and other requirements. The requirements for the objectives are almost the same, and differ only in that they are aimed at the specific requirements of each standard.
7 Support	7 Support	7 Support	The requirements are basically the same, but with slightly more detail required by ISO 9001.
8 Operation	8 Operation	8 Operation	Both standards require the organisation to establish operational controls for processes, only ISO 9001 refers to quality while ISO 14001 refers to the environment. ISO 14001 has additional requirements for emergency preparedness and response. ISO 45001 has specific requirements for management of change, outsourcing, contractors and sub-contractors.
9 Monitoring, measurement, analysis & evaluation	9 Monitoring, measurement, analysis & evaluation	9 Monitoring, measurement, analysis & evaluation	The requirements are the same, only with different perspectives. ISO 9001 has additional requirements for monitoring and measuring customer satisfaction.
10 Improvement	10 Improvement	10 Improvement	The requirements of both standards are basically the same, but ISO 45001 focuses more on incident and near-miss reporting.

# The Benefits of Integrated Business Management Systems

## Where to start?



The starting point for the implementation or integration process can be different for every organisation.

The organisation may be implementing the standards for the first time, it might already have implemented one of the standards and wants to upgrade the system by implementing a second one, or the organisation might have implemented two standards and now wants to integrate a third.

This equation can have additional variables, such as if an old version of the standard is implemented, the integration project may also include the transition to the new version of the standard(s) as

well.

Every new integration or implementation should be structured around the new versions of the standards.

Generally the best approach is to implement the standards simultaneously, following the PDCA cycle. Start with determining the context of the organisation for all standards and the step through the clauses ending up at continual improvement.

## Developing a Project Plan

For successful implementation and later maintenance it is crucial to approach it systematically and develop a project plan with precisely defined activities, resources, responsibilities, and deadlines. It should not be done with an ad hoc approach.

The organisation needs to clearly identify what needs to be done, how long it will take, and who will do it in the best way. Distribution of the responsibilities and tasks will simplify the integration and allow some of the tasks to be performed simultaneously, which will result in decreasing the time needed for the project.

The best way to start is to undertake a gap analysis in order to determine what standards are required, is there a requirement to transition old standards to the new versions, and what needs to be done to achieve full compliance with the requirements of the new standards.

Depending on the starting point mentioned earlier, the gap analysis results may show discrepancies between standard requirements and organisational practice, and can give a direction for certain implementation activities.

## The Benefits of Integrated Business Management Systems

The diagram below shows the timeline and sequence of activities that need to be performed, and requirements to be met, as part of the overall implementation of any Management System.



Implementation activities can vary depending on where each organisation is with its standards, and could mean that:

- It is only necessary to implement the requirements of the new versions of standards.
- It is possible to integrate the common requirements of the standards that are already implemented.
- It is necessary to implement new standard/s.
- It is necessary to conduct a transition of the already implemented standard.
- It is necessary to implement all new standards at once from the beginning.

Either way, the integration is a good opportunity to revise the existing system and introduce the improvements.

# The Benefits of Integrated Business Management Systems

## Plan:

### The Context of the Organisation

#### Context of the Organisation



This requirement is now present in all standards, so it is logical to fulfill it at once for all standards. Determining issues relevant to the purpose and strategic direction of the organisation must cover quality, the environment and health & safety. In the case of transition and implementation for the first time, the process of determining context of the organisation needs to be implemented from scratch. Although the standards do not require a documented procedure to address this clause, many

organisations have elected to document the factors and aspects that define their context.

#### Interested Parties

Identifying interested parties is a requirement of all standards as a part of defining context of the organisation. Interested parties are the ones relevant to the quality of products and services and customer satisfaction, as well as for environmental protection and compliance obligations. With ISO 45001 the interested parties also includes the requirements of workers or employees. This process also includes identifying their needs and expectations related to the management systems.

#### Defining the scope of the Management Systems

To set the foundation for the system, the organisation must first determine the scope of the management system. The scope should determine what products or services are applicable, and what processes and locations the system relates to. Each standard requires its own scope and it is usually prepared for the entire organisation.

All standards require the scope to be documented, the only difference is that ISO 9001 allows organisations to determine what requirements of the standard are not applicable to the organisation, and can therefore be excluded from the scope of the management system.

This is a new approach in ISO 9001:2015, and requires the organisation to provide justification for exclusion. In practice, the exclusions will typically relate to clause 7.1.5 and clause 8.

# The Benefits of Integrated Business Management Systems

## Plan:

### Leadership & Commitment

#### Leadership and Commitment



Leadership and commitment are to be demonstrated by taking accountability for the effectiveness of the management systems, establishing and communicating policies, setting objectives, and complying with other requirements prescribed by clause 5.1 of all standards. In addition to these requirements, ISO 9001 puts extra emphasis on the customer focus.

ISO 45001 has a requirement to determine participation by, and consultation with, employees.

#### Policies

The specific requirements for the quality, environmental and health & safety policies are best met by having separate policies for each standard. All policies must be appropriate to the purpose and context of the organisation and aligned with the strategic direction of the organisation, and they must provide a framework for setting the objectives and include commitment to continual improvement. The Quality Policy must include a commitment to satisfy applicable requirements, while the Environmental Policy includes a commitment to the protection of the environment and fulfilling compliance obligations.

The Health and Safety policy must meet the statutory requirements of Section 2 (3) of the Health & Safety at Work Act (HASWA) 1974.

The requirements for communicating the policies are the same in all standards but it is a requirement of the Health & Safety at Work Act (HASWA) 1974 to bring any Health and Safety policy to the attention of all employees.

# The Benefits of Integrated Business Management Systems

## Plan:

### Planning

#### Risks and Opportunities



This requirement is new for all standards and the purpose is the same: to replace preventive actions and to enhance a proactive approach to the management system. None of the standards require a formal methodology or a documented procedure for addressing this requirement, but they do require risks and opportunities to be documented along with the actions to address the risks and

opportunities. The purpose of addressing risks and opportunities is the same: to mitigate risks that affect the organisations ability to meet it's objectives and to seize the opportunities for improvement. The principle differences are that ISO 9001 is referring to the quality and customer satisfaction, while ISO 14001 is referring to environmental protection. ISO 45001 includes hazard identification as part of the assessment of occupational risks and opportunities. Although a documented procedure is not required for ISO 9001 & ISO 14001, it might be useful to document all the elements that need to be considered when identifying risks and opportunities, and planning actions to address them.

As it is a requirement of the Management of Health & Safety at Work Regulations (MHSWR) 1999 to assess the risk to health and safety of their employees, and anyone else who may be affected by their work activity. And where there are more than 5 employees it is a requirement to record the significant findings of risk assessments. This activity also satisfies the requirements for hazard identification & assessment of occupational risk that is part of ISO 45001. Many organisations are turning to integrated risk assessment models that cover the entire range of their business activities, and that also satisfy the requirements of all standards.

#### Identification and evaluation of environmental aspects

The evaluation of environmental aspects and criteria for determining their significance is a specific requirement of the ISO 14001:2015, but it is also related to clause 4.4 of ISO 9001, which requires the business to define organisational activities in a systematic way.

#### Determining Compliance Obligations

This requirement is more specific in ISO 14001, because it requires a compliance analysis with national legal requirements regarding environmental protection. It can be merged easily with the process of identification and evaluation of interested parties and their needs and expectations.

Compliance obligations are important because they have to be taken into account when establishing, implementing, maintaining, and continually improving the management system. They also need to be documented, and this can be done in conjunction with determining the needs and expectations of other interested parties.



# The Benefits of Integrated Business Management Systems

## Setting the Management System Objectives

The requirements for objectives are pretty much the same; they need to be consistent with appropriate policy, measurable, monitored, communicated, and updated as appropriate. Again, the organisation may use a single document to record the objectives for quality, the environment and health & safety, or make separate documents. Having them in one place will enable the organisation to monitor them as a part of the single process.

Also, during the management review, it will be easier if you have all the information in one place. Since now all standards require planning actions to achieve objectives, it is much easier for the organisation to have all that information in one place and plan the resources required to meet these objectives.

# The Benefits of Integrated Business Management Systems

## Do

### Support Processes



#### Managing Resources

This can be done in the same way and be compliant with the requirements of all standards. ISO 9001 defines resource requirements and separates them into several sub-clauses: people, infrastructure, environment for the operation of processes, monitoring and measuring resources, and organisational knowledge.

#### Competence and Awareness

Requirements for competence and awareness are the same, only they refer either to quality, the environment, or to health & safety, but they can be met through the same process. This can even facilitate the process since all the training and awareness-raising sessions will be coordinated with a better overview of the resources needed and avoid overlapping engagement of people, facilities, and other resources.

#### Communication

The core of the requirements in all standards are the same, but ISO 14001 additionally expands the requirements by dividing them into internal and external communication, emphasizing compliance obligations and consistency of information and their reliability, and requiring documented information about the communication when appropriate. The same communication process can be established to meet requirements of ISO 9001, 14001 & 45001 by defining what will be communicated, when, to whom, and how. ISO 45001 has some specific requirement for the communication of health & Safety information to employees.

#### Documented Information

The requirements regarding documented information are identical in all standards, so the process of document and record control will be integrated easily. Having an integrated process that defines creation, update, distribution, withdrawal, and retention of documented information will facilitate control of documents and records throughout the organisation, ensuring that the valid version of the document or record is in the place of application.

# The Benefits of Integrated Business Management Systems

## Do

### Operation



The operation section is the core of each of the standards.

It is the operational aspects that make each

business unique, and the degree of overlap & integration will be determined by the activities of each business.

ISO 9001 is heavily focused on the processes and procedures that form the core of any manufacturing or service business, and these are not requirements for ISO 14001 or 45011.

There is however significant overlap between ISO 14001 & 45011 and it is here that integration has the potential to produce the greatest benefits

With the integration of ISO 14001 & 45001 there is considerable synergy with operational planning and control, and emergency preparedness and response.

Much of the planning for these two aspects can be carried out in unison and can be streamlined in many instances. Coordinating the planning of these two aspects will also provide a greater insight into the operational risks that are common across the business.

It is important to include the requirements for all standards when developing a single process or procedure. When defining the requirements for products and services, establishing criteria for processes, defining resources, and fulfilling other requirements for ISO 9001 operational control, it is vital to include requirements for operational controls of significant environmental aspects within the processes. If significant environmental aspects emerge from the process, operational controls regarding the aspects must be included in the procedure that defines how the process is conducted. Similarly if the assembly or manufacturing process gives rise to areas of environmental concern, or creates a health & safety risk, then these can all be addressed under a unified process or procedure.

This will result in having one workflow for the process without the potential risk that something is left out or the sequence of activities is flawed.

# The Benefits of Integrated Business Management Systems

## Check & Act

### Monitoring, Measuring, Analysis & Evaluation



ISO 9001, 14001 and 45001 all require the organisation to define what will be monitored and measured, how, when, and how the results will be analysed. Besides the different perspectives of the standards, there are also subtle differences in the requirements for monitoring and measuring. ISO 9001 has a separate sub-clause with requirements regarding monitoring and measuring customer satisfaction, while ISO 14001 has additional requirements for the evaluation of

compliance. ISO 45001 requires evaluation of compliance with legal and other requirements. There will inevitably be some degree of overlap with these activities that can be streamlined.

### Internal Audit

The internal audit is the same in terms of how it is conducted for all standards; the difference is in the clauses and requirements to be audited. Having one process for internal audits of all standards will facilitate coordination and planning of the audits; the fact that they are part of the same system doesn't mean that the requirements of the standards must be audited at the same time, but having one internal audit program for all standards will help the organisation to plan the audits better and avoid overlapping of resources.

### Management Review

As far as the management review is concerned, top management is always happy when their time is saved. This can be achieved by having one meeting for discussing the topics related to all standards. Once all the reports and input elements for management review are gathered in one place, it will be much easier to make decisions. By reviewing all of this information at the same time it will inevitably provide a much broader perspective on the whole organisation and the performance of the management system.

## Act

### Incidents, Non-Conformities, Corrective Actions & Improvements



Having one process for identification of incidents and non-conformities, and for managing corrective actions is another easy win for the Integrated Management System. Regardless of the origin and which aspect of the system (quality, environment or health & safety) it emerged from, incidents and non-conformities can be resolved in the same way. This should be used to develop a single process for managing incidents, non-conformities and corrective actions.

# The Benefits of Integrated Business Management Systems

## Conclusion



Having one Integrated Management System instead of separate systems makes the implementation harder, since the people involved in the project must always consider the requirements of all the standards.

But at the end the effort invested in the project will be more beneficial in the long term.

The top ten typical benefits from adopting an integrated solution for Management Systems include the following:

- decreased volume of documentation
- better coordination of activities and resources
- integrated workflow of activities without overlapping and doubling tasks
- reduced time spent carrying out internal audits
- systematised information for more effective management review
- reduced levels of dedicated resources required to manage and maintain the management systems
- Improved connection between the processes and activities
- removal of overlapping and doubling activities, such as Management Review etc.
- an end to working in silos
- reduced time devoted to external certification body audits

The above list is just the tip of the iceberg:

***In many respects perhaps the biggest benefit is in creating a business that functions under a collection of joined-up processes and procedures - that all help to achieve that common goal...***